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## **WESTERN SHIPYARD (Lith. AB Vakarų laivų gamykla) TERMS AND CONDITIONS REGARDING OCCUPATIONAL SAFETY AND ENVIRONMENTAL PROTECTION (OSEP Terms and Conditions)**

### **Application of the Terms and Conditions**

1. These Terms and Conditions shall apply to all the WESTERN SHIPYARD (hereinafter the **WSY**) group of companies, BLRT Grupp AS group of companies, and all other legal and natural persons (hereinafter the **Entities**) who perform their activities or are located within the territories (hereinafter the **Territory**) of the WSY (address: Minijos Str. 180, Klaipėda) or Baltija Shipbuilding (Lith. AB Baltijos laivų statykla) (hereinafter the **BSB**) (address: Pilies Str. 8, Klaipėda).
2. OSEP Terms and Conditions shall apply to all contracts concluded by the WSY and BLRT Grupp AS group of companies.
3. A company of the group of companies shall refer to a company where 30 percent or more of shares belong to the WSY or BLRT Grupp AS (**Group Company**).
4. OSEP Terms and Conditions shall apply along with the terms and conditions of Activity (**The Conditions of Activity**) performed within the Territory of the Western Shipyard.
5. OSEP Terms and Conditions as well as the Conditions of Activity are publicly available at: [www.wsy.lt](http://www.wsy.lt).

### **Occupational Safety**

Responsibilities of Entities regarding Occupational Safety and Health (hereinafter the **OSH**):

6. To have all the valid certificates, attestations, instructions which are necessary for an employee to have under applicable legislation.
7. To appoint a Works Supervisor respectively certified with reference to the OSH matters, also responsible for ensuring the compliance with the requirements for fire safety, environmental protection, occupational safety and health in a project.
8. To be liable for any violation of rules or procedure committed within the Territory by their employees, and compensate for the damage suffered by the aggrieved party.
9. To provide their employees with an insurance against occupational accidents.
10. Prior to the commencement of activities within the Territory, to ask a contact person of a Group Company about the following: what works require compulsory and special work permits of a designated form in writing, what is the procedure for using hazardous chemical materials, how to obtain a permit allowing performance of dangerous works (for example, hot work permits of a designated form must be coordinated with the fire safety (hereinafter the **FS**) inspector, etc.).
11. An Entity shall have the right to commence works only upon completing work permit forms approved by responsible persons of a Group Company.
12. In case there is a need for using scaffolds within the Territory assembled by a Group Company, there must be a green label hung on the scaffolds. It is forbidden to climb a scaffold if there is no label or if there is a red label hung on it. It is also forbidden to arbitrarily disassemble or change the scaffold construction in any other way. Prior to the use, to find out about the load capacity of a Group Company's scaffolding decks/walk boards.
13. Hanging (slinging) of loads, supervision of Group Company cranes, and performance of crane maintenance worker tasks of a Group Company are permitted only for trained persons having passed an examination by a Group Company or for those who hold a valid EU certificate and are familiar with the instruction manual of the manufacturer's lifting tools and accessories. Slinging is permitted only for those having a special slinger's sticker by a Group Company on a helmet. Only persons having a special crane operator's sticker by a Group Company on a helmet are permitted to operate a crane remotely. All lifting tools and accessories must have identification markings, be in a proper technical condition, and have a colour marking of a client proving their usability. It is forbidden to leave a hanging load without a restricted access to get under a load. It is forbidden to use sheet metal grippers without guys or over places where people are likely to work, to lift a load higher than 1.5 m with only one gripper.
14. Before using Group Company services of training and examination, they must inform a Group Company in writing about their employees' level of speaking and writing skills of languages.
15. It is permitted to use Group Company lifters, loaders, cranes, machine tools, equipment containing pressure or flammable gas, etc. only upon a separate permit by a Group Company and only for those who hold a respective certificate and after getting familiar with the equipment manufacturer's instruction manual. Internal transport, operating within the Territory, must undergo an annual inspection by a Group Company. A driver of a vehicle of inner transport may be, at any time, asked to do a breath alcohol test at a Group Company's medical or security post.
16. When operating a mean of transport within the Territory, they must follow road traffic rules, road signs and markings, must keep a safe speed and follow the rules for safe driving at railroad crossings (speed – 5 km/h and distance for parking a car is > 2 m from the outer edge), and parking guidelines: follow signs, look for designated car parks. Not to block pedestrian passageways, pedestrian crossings, gates, electrical switchboards, fire hydrant faucets, crane runways on piers with a means of transport or loads. To wear safety vests additionally when working at quays. Two wheeled means of transport can be used only when wearing a safety vest. It is forbidden to use two wheeled means of transport in workshops, on docks and in winter weather conditions.
17. It is permitted to enter enclosed spaces of vessels or other constructions, tanks or tank cars only upon a green label hanging on them or upon the receipt of a written permit by a Group Company.
18. To coordinate with a Group Company so that people performing works within the Territory would have been given an introductory Occupational Safety Instruction by the customer. Such instruction shall be valid for 1 year if

an outsourcing agreement was terminated within a calendar year. Only after receiving an introductory instruction by a Group Company, it is possible to allow their employees to enter work areas by themselves, without an accompanying person, and to fulfil the requirements set out during the instruction.

19. To fulfil the requirements for Fire Safety Guidelines of a Group Company and arrange instruction process for employees by using fire safety instructions applicable within the Territory. Such instructions shall be provided by a Group Company.
20. To follow the signs within the Territory. To wear personal protective equipment: helmets, goggles, shoes with foot protection, reflective work clothing with a company name (reflective vests to be worn by drivers and those performing tasks within a transportation zone). To use intended pedestrian walkways, crossings, keep away from a moving transport, hanging loads, operating equipment and machinery, to walk on stable surfaces, especially in winter, not to jump, to climb the stairs holding hands on handrails of both sides.
21. It is forbidden to neglect or remove safety signs, barricades or barriers used as protection for openings, electrical or other moving parts, etc. without a separate permit by a Group Company.
22. It is forbidden to bring radioactive, toxic, or other materials containing asbestos to the Territory without a permit by a Group Company.
23. To keep order in work areas: to hang temporary "energy-communications in suitable condition over the passageways of work areas, keep cylinders in a secured position with valid check-ups of manometers, use valid, flammable gas equipment, metal processing equipment, tools with manufacturer's protection means, mobile lamps <36 V – all of which have been checked in accordance with the procedure set out by a Group Company. Upon completion of work, to clear up the working zones and tools, pick up rubbish and waste.
24. It is forbidden: to record, photograph, be under the influence of alcohol, intoxicated, to carry alcohol drinks with themselves, smoke within the Territory, leave operating electrical appliances without supervision.
25. It is forbidden to have meals within production premises, places not meant for this purpose, or changing rooms. It is necessary to stick to the schedule for clothes washing, cleaning of rest rooms.
26. In case of a fire in a building (when smoke is detected or upon hearing an alarm), to evacuate through the nearest designated exit, gather together in the western part of the building, on a vessel – gather together on a quay, count if none of employees is missing and wait for further directions by a Group Company.
27. Upon hearing city sirens wailing, in an extreme situation, to gather together at Minijos Str. 180, on a site located near the transport control post of the WSY; at Pilies Str. 8 in locations, designated with a special sign, near the medical post.
28. Prior to the commencement of works related to Group Company equipment repair, arrangement, it is necessary to obtain a permit by a contact person of a Group Company for performance of works. It is necessary to use own and Group Company's safety signs which also warn about risks during work performance.

### **Environmental Protection**

Responsibilities of Entities regarding Environmental Protection:

29. To fulfil relevant requirements for the Environmental Protection set out by the Republic of Lithuania and international legislation, take care of and keep a place clean and tidy within the Territory and water area zone which is used for economic activities.
30. To sort waste within a place where it is produced, taking a waste type and nature into consideration. To collect produced waste and bring it only to containers specially designed for this type of waste. To order containers from waste treatment bodies or waste carriers. It shall be possible to use Group Company waste containers during performance of subcontracting works only upon consent by a Group Company.
31. Waste containers must be placed in such a way that they make no obstacle for workers to pass through, are not blocked and easily accessible for waste carriers.
32. Never mix hazardous and production waste with municipal or other non-dangerous waste, or mix unsorted waste with sorted waste.
33. It is forbidden to combust waste, chemical materials and their mixtures.
34. To collect hazardous and liquid waste and bring it to storage tanks and containers that are hermetic and resistant to such materials, store them in good order, load and carry them in the way ensuring it will be kept away from the environment and do no adverse effect for human health.
35. Storage tanks and containers for hazardous waste must bear marking labels indicating hazardous waste.
36. To avoid overloading containers and to arrange a timely waste removal from filled storage tanks and containers.
37. To keep work areas clean and tidy, use working tools and equipment, materials as well as energy sources efficiently and economically.
38. To use properly, maintain and repair technological and energy devices and appliances, machine tools, machinery, means of transport, load lifting and hydraulic equipment, other working means and tools which could contaminate the environment. To stop technically unfit equipment/ means of transport/ technological process, eliminate causes of failure, and clean-up polluted or contaminated areas in case any leakage of operating fluids or other contaminants, increased noise exposure, air pollution by smoke are noticed or if irritating odours are detected.
39. To properly perform repair, construction, conversion, dismantling, installation and other works related to structures, vessels, equipment, machinery, systems and other objects by taking all the possible and economically sound measures to reduce the amount of waste and negative impact on the environment as well as human health.
40. Prior to the commencement of works, during which petroleum products, chemical materials or water contaminated with the aforesaid can potentially

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- escape, to provide themselves with pollutant collection measures, materials absorbing and cleaning such pollutants, and use them during performance of works. To provide work areas with a stock of absorbents and cleaning materials.
41. To store petroleum products, gas, painting, varnishing, gluing, sealing, and chemical materials or their mixtures in the original manufacturer's packages, use them properly and in a safe manner. To follow the terms and conditions stipulated in safety data sheets of such materials.
  42. Not to pollute the Territory or water area with waste/ rubbish, chemical materials and their mixtures, residues from loads or other materials, their packages.
  43. It is forbidden to discharge petroleum products, painting materials, chemical materials and their mixtures, other contaminated liquids onto the ground, soil, vessel deck, shipbuilding berth deck of floating docks, into the water area, rain water drainage networks as well as municipal wastewater networks.
  44. It is forbidden to trample, drive on, burden green plantations (grass plots, flower gardens, trees, bushes) or destruct them in any other way.
45. Not to wash or repair any means of transport or other machinery in places which are not intended for such purposes.
  46. To take all legal actions and use available means to prevent pollution, eliminate causes of pollution, and stop the spreading of pollutants in the environment, collect all pollutants released into the environment. To fully eliminate environmental pollution consequences, minimise damage to the environment or restore the environment to its previous condition before pollution.
  47. To be liable for every environmental pollution incident caused as a result of performance or non-performance of an Entity, for every case of non-compliance with these OSEP Terms and Conditions, environmental protection requirements stipulated by a Group Company as well as legislation of the Republic of Lithuania; to identify causes of environmental pollution and arrange elimination of any matter of non-compliance with the requirements; to arrange collection of pollutants released into the environment, clean-up activities regarding polluted areas, restoration process of damaged property owned by a Group Company, and to compensate for any damage suffered by a Group Company.